

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LEDBETTER SEWER)	
DISTRICT FOR AN ADJUSTMENT IN RATES)	CASE NO. 2012-00057
PURSUANT TO THE ALTERNATIVE RATE FILING)	
PROCEDURE FOR SMALL UTILITIES)	

ORDER

Ledbetter Water and Sewer District (“Ledbetter District”) has applied for a rate adjustment pursuant to 807 KAR 5:076. In its application, it requests a deviation from 807 KAR 5:076, Section 8, which requires that the test period used to determine the reasonableness of the proposed rates must coincide with the reporting of the applicant’s annual report for the “immediate past year.”¹ As Ledbetter District submitted the application to the Commission on February 17, 2012, the annual report for “immediate past year” is the annual report for the calendar year ending December 31, 2010. Ledbetter District has used the calendar year ending December 31, 2009 as its proposed test period.

In support of its request, Ledbetter District states that Commission Staff provided assistance in preparing its application and that this assistance occurred over an

¹ 807 KAR 5:076, Section 1(2) provides:

“Annual report for the immediate past year” means an annual report that covers the applicant’s operations for either: (a) The calendar year period prior to the year in which the applicant’s application for rate adjustment is filed with the commission; or (b) The most recent calendar year period that 807 KAR 5:006, Section 3(1), requires the applicant to have on file with the Commission as of the date of the filing of its application for rate adjustment.

extended period beginning in late 2010. In an attempt to expedite preparation of this report, Ledbetter District and Commission Staff agreed to use the calendar year ending December 31, 2009 as the test year. Because of problems assembling and reviewing the required financial records, the final version of the application was not completed until after revisions to 807 KAR 5:076 became effective. Ledbetter District further states that to comply with these revisions would delay a needed adjustment of rates several months and would not greatly assist in any review of the proposed rates.

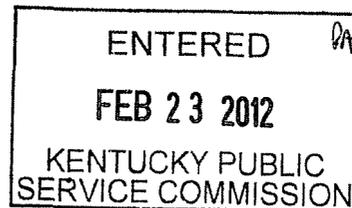
Having considered the request and being otherwise sufficiently advised, the Commission finds that good cause exists to permit Ledbetter District to deviate from 807 KAR 5:076, Section 8.

IT IS THEREFORE ORDERED that:

1. Ledbetter District's request for a deviation is granted.
2. Ledbetter District is permitted to deviate from 807 KAR 5:076, Section 8.
3. Ledbetter District's application for rate adjustment is considered filed as of

the date of this Order.

By the Commission



ATTEST:

Executive Director

Billy Downs
Manager
Ledbetter Sewer District
P. O. Box 123
Ledbetter, KY 42058